(b) The ICICI have submitted an interin report.

(c) In their interim report the ICICI have clearly pointed out that the various mines being operated by ECL can be classified as follows:

Group I Profitable mines
Group II Areas with profit potential
Group III High capacity Longwall mines
Group IV Losing mines with difficult working conditions

For Group IV mines, the ICICI could suggest no viable solution and recommended phasing out of such mines. 64 mines of ECL located in 6 Areas of the company belong to the Group IV mines highlighted in the ICICI report.

(d) The Board of Directors of ECL in their meeting held on 22.10.1998 passed a resolution of close down those 64 coal mines. This resolution was passed by the ECL Board of context of the acute financial problems besetting the company for the long time. However no step as prescribed under the Industrial Disputes Act, 1947 for retrenchment of work men has been taken by the ECL management because discussions are under way with the Trade Unions in an effort to evolve an acceptable solution to the financial problems of ECL. A fresh package for turn-around of ECL has been proposed which is under the consideration of the Trade Unions.

Neglect of underground coal mining

789. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that underground coal mining is a neglected area and no project worth the name is being undertaken;

(b) if so, what are the reasons therefor; and

(c) what steps have been taken by Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY): (a) and (b) No, Sir. Underground mining is also given due consideration based on factors such as geology of the area, depth of coal deposit, demand of coal, grade of coal and viability of the project. Since nationalisation as many as 100 underground mining projects have been completed which have replaced some of the exhausting reserves of the on-going mines. 88 underground on-going projects are in operation in Coal India Limited. These 88 on-going projects will yield 36 MT capacity addition on completion. On successful implementation of these projects, Coal India Limited will be able to increase underground coal production from present level of 54 MT to 68 MT by the terminal year of IX plan 2001-02. In Singareni Collieries Comapny Limited also, 18 new underground projects were sanctioned during the last 10 years.

(c) Steps taken by Coal India Limited to improve the status of underground mining include mechanisation in Bord and Pillar mining, working of Longwall faces in place of conventional manual mining and introduction of modern and appropriate technologies on 'Risk-Gain-sharing basis through global tendering.

Coal production in Assam

790. SHRI DRUPAD BORGOHAIN: Will the Minister of COAL be pleased to state:

(a) what is the total quantity of coal produced annually by Coal India in Assam during the last three years;

(b) whether Government have any plans to develop Coal fields of Lado-Margherita region; if so, the details thereof; and

(c) which is the market of coal produced in this region?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY): (a) The total quantity of coal

produced by CIL in Assam during the last three years is as under:

1995-96	8.21 lakh tonnes
1996-97	7.52 lakh tonnes
1997-98	6.87 lakh tonnes

(b) Lack of demand, inadequates rail infrastructure facility, difficult geo-mining, conditions unviable economics of mining have affected enhanced production in North Eastern Coalfields. However, efforts will be made to improve the same in future depending on the leverage allowed by the market forces.

(c) Cement, Paper, tea gardens, power, fertilizer, Steel and Brick Kilns are the main consumers of NEC coal.

Many consumers such as SAIL, Fertilizers and Power Plant have stopped/curtailed offtake of coal from NEC either because of higher landed cost or because of availability of cheaper coal from other sources.

Increasing import duty on Coal

791. SHRI PREM CHAND GUPTA: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that the Coal Industry is facing a serious threat from cheaper imported coal from South Africa and Indonesia;

(b) whether Government are contemplating increasing the import duty to enable Coal India Ltd. (CIL) to maintain its market; and

(c) if so, whether the move is designed to protect and encourage inefficiency in the PSU?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY): (a) Yes, Sir.

(b) In the recently presented Budget the basic duty on coking coal has been retained at 5% whereas the basic duty on non-coking coal has been increased from 10% to 15%. For both varieties of coal a surcharge of 10% has been levied.

(c) Domestic coal faces a much higher incidence of royalty and freight charges as compared to imported coal. The measures, therefore, is to rectify this imbalance. While the pithead price of coal is one of the cheapest in the World, the landed price is high because of the freight and other levies.

Mahanadi Coalfields Ltd. funds for Golf Club

792. SHRI JIBON ROY: Will the Minister of COAL be pleased to state:

(a) whether Mahanadi Coalfields Limited has contributed funds for development of Golf Club in the colliery area;

(b) if so, the total amount spent by the company for the purpose;

(c) whether trade unions in the Joint Bipartite Committee in Coal Industry have objected to the expenditure of this nature; and

(d) if so, the reaction of the Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY): (a) and (b) A sum of Rs. 3.2 lakh has been sanctioned by Mahanadi Coalfields Ltd. as contribution to the Brahmani Golf Club of Talcher for purchase of three Golf Sets and Kits.

(c) No objection has been raised by the Joint Bipartite Committee in Coal Industry at the level of Coal India Limited nor by Joint Consultative Committee at the level of Mahanadi Coalfilds Limited.

(d) Does not arise in view of reply given to part (c) above.

Down-trend in underground mining of coal

793. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that production of coal by underground mining has gone